

OneSC Office of Science Restructuring Project

Background

Dr. Raymond L. Orbach, Director of the Office of Science (SC), announced the Office of Science Restructuring Project on July 22, 2002. The purpose of this initiative is to realign SC's Headquarters and Field structure, and to streamline and improve the management and implementation of its programs. This would be accomplished by reducing layers of management, streamlining decision making processes, clarifying lines of authority, and making more efficient use of resources. The OneSC Project thereby embraces the changes envisioned by the President's Management Agenda (PMA), and directly supports the PMA objective to manage government programs more economically and effectively. It provides a management environment for SC employees in which their success and high performance can continue in the face of changing resources, requirements, and societal needs.

The goals detailed in the Project Plan included the elimination of a major management level between the Director of Science and Site Office Managers located at SC laboratories, and minimizing the number of layers within levels throughout SC, including Headquarters. Alternative reporting relationships for Site Offices, Operations Offices, and Headquarters program and staff offices would be considered. The Project also called for transforming the Chicago and Oak Ridge Operations Offices, and elements at SC Headquarters, into one or more support centers with redefined roles and responsibilities to provide best-in-class business, administrative, and specialized technical support across the entire SC enterprise and, as appropriate, to other DOE programs. Headquarters and Field support functions were to be consolidated and streamlined. Additionally, the site office function at the Richland Operations Office associated with the Pacific Northwest National Laboratory (PNNL) would report to SC Headquarters, and the existing Argonne and Ames Site Offices were to be combined.

In launching the OneSC Project, Dr. Orbach helped define this vision of SC's future:

"Since joining the Department of Energy, I have developed a strong appreciation of SC employees' dedication to the Science mission, as well as their sense of public service to the Nation. Ensuring SC research continues to deliver top quality science requires becoming "best in class" in our management practices, including utilizing existing resources more effectively," said Dr. Orbach. "We must provide our employees a management environment in which success and high performance can continue in the face of changing resources, requirements, and societal needs."

The Project is divided into three phases. A revised SC structure with improved organizational alignment and reporting relationships was developed in Phase 1. SC business and management systems will be reengineered in Phase 2 and closeout of the Project will occur in Phase 3. A Project Team made up of Headquarters and Field

personnel from throughout SC was formed to carry out the initiative. Dr. Orbach asked the Project Team to recommend how to fulfill the fundamental changes required by the Project Plan through a focus on management accountability; organizational relationships; assignment of work issues; and clarifying roles, responsibilities, authorities, and accountabilities throughout SC.

This paper describes the results of that effort, and how the Office of Science will proceed to achieve its vision of a more effective and well-managed organization.

Understanding the Current SC Organization (What's Broken?)

In order to understand the SC organization, the OneSC Team carried out highly detailed analyses of roles, responsibilities, authorities, and accountabilities for Headquarters, Operations Office, and Site Office organizations during Phase 1. Separate but integrated teams were formed that drew on the talents and experience of scores of staff from Headquarters, Operations, and Site Offices. This was a time-consuming process, but yielded a good understanding of how work is carried out throughout SC, as well as insight into many of the problems and issues presented by the sometimes confusing lines of authority and overly complex structure. Many of the issues and challenges defined by the PMA were uncovered within SC.

Lack of clarity on roles, responsibilities, authorities, and accountabilities was soon identified as a root cause of communications and coordination problems which frequently frustrate staff throughout SC. In defining the “As-Is” condition of this organization, the OneSC Team found considerable variation in the roles, responsibilities, authorities, and accountabilities for comparable SC organizations. In addition, there is confusion concerning line management and staff management roles. Headquarters (HQ) Offices contain an assortment of “policy and program development” and “implementation” responsibilities. Understanding of the interrelated roles of HQ and the Field varies widely throughout SC.

Significant variation exists in reporting relationships as well as roles, responsibilities, authorities, and accountabilities for the SC Site Offices and their associated Operations Offices. Two of the Site Offices report to SC Headquarters while the remaining eight Site Offices report through Operations Offices. The two Site Offices that report to SC Headquarters receive technical and business management support from the National Nuclear Security Administration (NNSA) Service Center location at Oakland. One Site Office reports to and receives technical and business management support from the Richland Operations Office, which in turn reports to the Assistant Secretary for Environmental Management (EM). Five Area (Site) Offices report to the Chicago Operations Office (CH) Manager, and receive technical and business management support from CH. Two Site Offices report to the Oak Ridge Operations Office (OR) at an Assistant Manager level. The CH Manager and the OR Manager report to the Office of Science. The level of support to Site Offices from the different Operations Offices varies significantly.

An important variation in management approach among the field organizations involves Contracting Officer (CO) authorities and placement. In many cases there is not a single point of contact and authority between DOE and the management and operating (M&O) contractor at a Laboratory.

Business practices vary widely and unique business systems proliferate. Such differences make coordination across the SC organization challenging and improvements in systems more difficult.

Throughout the Phase 1 analysis, it became increasingly clear to the OneSC Team that the existing SC structure is inconsistent with the PMA because it is complex and difficult to manage. It also became clear that changes are needed to ensure that the SC Director's responsibilities can be accomplished in an effective and accountable manner. Recent changes within the Department also impact the ability of SC to manage its programs and offices. For example, the use of the NNSA Service Center to support two SC Site Offices (Stanford and Lawrence Berkeley) and to process SC research grants must be phased out because of the planned closure of NNSA's Oakland Office.

The OneSC Team worked with the SC Principals to define a new integrated structure, and to redefine roles, responsibilities, authorities, and accountabilities for all SC Headquarters and Field organizations in order to address these management issues. This component of Phase 1 is now complete.

The New Office of Science Structure and Reporting Relationships

As a consequence of the OneSC Team's analysis and recommendations, the Office of Science will now make specific changes to its organization and reporting relationships that respond to the direction and vision provided by the PMA. The new SC structure includes a clear set of integrated roles, responsibilities, authorities, and accountabilities; encompassing the HQ organization, nine Site Offices, the Oak Ridge and Chicago Offices, and the Integrated Support Center (ISC). A level of management is eliminated from the Field. Policy, direction, and scientific program development and management functions are in HQ, while program execution and implementation functions are in the Field.

The new integrated SC organization is led by the Director and the Principal Deputy Director. A consolidated Budget and Planning Office (formerly SC-63 and SC-5), a Major Systems Assessment Office (formerly SC-81), and the Office of the Chief of Staff report directly to the Director/Principal Deputy. The SC Chief Operating Officer (SC-3), working in concert with the Director and Principal Deputy, completes the SC executive leadership team.

The SC Program Offices (Advanced Scientific Computing Research; Basic Energy Sciences; Biological and Environmental Research; Fusion Energy Sciences; High Energy

Physics; Nuclear Physics; and Workforce Development for Teachers and Scientists) report to the Deputy for Programs, a new dual capacity position filled by the SC Principal Deputy Director. The SC Director is the Reviewing Official for the Associate Directors. Open communications between the Associate Directors and the SC Director will continue to be encouraged.

All SC operational and support components are assigned to the SC Chief Operating Officer (COO). A Deputy COO and a small expert staff enable the COO to effectively manage the SC operating elements. The COO's staff includes a Field Coordinator who provides senior-level staff support to the COO, Deputy COO, Laboratory Site Managers, and the Oak Ridge and Chicago Managers. The Field Coordinator's responsibilities include ensuring the accomplishment of routine, day-to-day, Headquarters-related actions; working problems on behalf of the operational leadership team for decision by the SC Principals; and maintaining the level of communication and coordination needed among the Principals to enable their effective and timely response to emerging operational issues. Senior Acquisition Advisor and a Senior Safety-Security Advisor are included on the COO's staff.

Responsibility for SC-wide issues and operational policy remains at Headquarters. These responsibilities include management of the program direction and infrastructure budgets, and setting laboratory, ES&H, and safeguards and security policy for SC within the framework set by the Department. To the extent practical, implementation and support functions currently carried out by HQ Offices are reassigned to the Chicago Office. Specifically, functions and personnel in the Grants and Contracts Division (SC-64) and the Human and Administrative Resources Division (SC-66) report to the Chicago Office. These divisions are incorporated into appropriate elements of Chicago; division staff remain HQ personnel duty stationed in Germantown. A similar reassignment of support functions and personnel from the Environment, Safety and Health Division (SC-83) is delayed pending an analysis of the policy versus support workload and determination of human capital needs for each function. Until this reassignment of functions is completed, the new Office of Laboratory Policy and Infrastructure contains the ES&H, Infrastructure (formerly SC-82), and Laboratory Policy (formerly SC-7) Divisions. The Safeguards & Security function reports to the Office Director, who in turn reports to the COO.

The new Office of Program Direction and Corporate Analysis, formerly SC-67, reports to the COO. The SC Senior Information Management Executive heads the Office of Information Management, reports to the COO, and is responsible for three divisions (e-R&D Portfolio Management, Tracking and Reporting Division; Information Services & Planning Division; and the Office of Scientific & Technical Information).

The SC COO is assigned Head of Contracting Activity (HCA) authority from the Senior Procurement Executive. Each of the Site Offices has at least one fully credentialed Contracting Officer. In addition, each Site Office Manager holds an Administrative Contracting Officer warrant with sufficient authority to administer the laboratory M&O contract and be clearly established as the single point of Federal accountability for that contract. They share an important responsibility with Associate Directors by providing

SC Principals with insights on evolving operational, program, and performance issues, “a sense of the laboratory.” Site Office Managers report directly to the SC COO.

The Ames Site Office, is not merged with the Argonne Site Office as originally envisioned in the Project Plan. Keeping the Ames Site Office a separate management unit best fulfills the PMA mandate by eliminating intermediate management layers and providing a single point of Federal accountability.

The SC ISC, a virtual organization comprised of the combined support capabilities of the Chicago and Oak Ridge Offices, provides administrative, business, and technical services in support of the entire SC complex. A management council chaired by the COO and consisting of the Chicago and Oak Ridge Managers, an Associate Director, and two Site Managers, ensures the ISC provides best-in-class services that are consistent with DOE policy, responsive to mission needs, and represent the most cost effective use of the combined Chicago and Oak Ridge capabilities. In addition to being members of the SC virtual support center, Chicago and Oak Ridge operate assigned DOE Centers of Excellence in support of Department-wide interests, and are available to support non-SC customers based on future agreements that may be reached with other sponsors. The Chicago and Oak Ridge Managers report directly to the COO.

The SC Restructuring recognizes the unique responsibilities of the Oak Ridge Manager. On November 1, 2002, the Office of Science announced that, as part the Restructuring Project, SC would retain a single site manager at the Oak Ridge Reservation who reports directly to SC Headquarters and is responsible for all Department operations, excluding the work performed by NNSA. In keeping with that announcement, the Oak Ridge Office is the single point of management for all non-NNSA activities assigned to Oak Ridge, and provides support for its own activities as well as support to the NNSA Y-12 Office. Oak Ridge also provides support to elements of SC outside Oak Ridge as part of ISC.

In summary, these changes:

- Clarify the HQ role as that of policy, direction, and scientific program development and management, and the Field role as that of program implementation;
- Eliminate a layer of management in the Field and in parts of HQ;
- Establish a clear set of integrated roles, responsibilities, accountabilities and authorities encompassing HQ, the nine SC Site Offices, the Chicago and Oak Ridge Offices, and the ISC;
- Move HCA Authority to Headquarters;
- Create a single point of contact and authority for M&O laboratory contract management;
- Establish contracting officer authority in each Site Office and provide a process for eventual warranting of all Site Office Managers as administrative contracting officers;

- Establish an effective mechanism for providing a “Sense of the Laboratory” to SC leadership;
- Establish a virtual support center using the combined capabilities of the Chicago and Oak Ridge Offices;
- Recognize the role for the Oak Ridge Office to address the unique challenges of the Oak Ridge Reservation while supporting the SC mission; and
- Create the foundation for SC to address Phase 2 Reengineering as an integrated organization.

Staff Resources and Training

When the OneSC Project was initiated, the Director made it clear that the Project was not intended to cause involuntary Reductions in Force (RIFs). Further, the Director has committed to no RIFs in the future as long as appropriations continue to meet SC program direction needs. Current funding levels are sufficient to fully support the SC organization.

A goal of the Project is to more effectively utilize existing personnel. Nevertheless, an increase in SC personnel is occurring for several reasons. First, 46 existing EM positions at Richland are transferred to SC to form and provide support to the Pacific Northwest National Laboratory Site Office (PNSO). Second, an additional increase on the order of 20 positions is required because of the closure of the NNSA Oakland Office that currently administers a portion of SC’s university research grants, and provides business and technical support to the Berkeley and Stanford Site Offices. SC and NNSA are working together to minimize disruption during the phase out of the Oakland Office.

The SC structural and responsibility changes resulting from Phase 1 implementation will involve some near-term training and personnel costs. The primary training requirement is to qualify Site Managers for an administrative contracting officer warrant. The Office of Procurement and Assistance Management (ME-60) has worked with the Project Team to establish the training requirements appropriate to the expanded role for Site Managers. Other training will occur as a part of the Phase 2 reengineering and human resource assessment work. For example, training will be developed to ensure that the roles of program managers, contracting officers, and contracting officer’s representatives are clearly understood with regard to interaction with and giving direction to laboratory contractor staff. The objective is to facilitate working relationships that maintain contractor accountability while respecting the need for open discussion of scientific issues and programmatic progress and plans.

Reengineering the Office of Science

Phase 2 of the SC Restructuring Project involves reengineering SC business systems. This effort will optimize SC business practices, take unnecessary work out of the system, enable the federal workforce to be more productive, support improved laboratory

contractor performance, and ultimately drive down the cost of doing business in both federal and contractor operations. The Project has proposed the use of a standards-based management system to reengineer and maintain best-in class processes, and make them available to all users regardless of location through a web-based communications tool. The fulfillment of these plans will enable the ISC to act as a single entity without regard as to whether Chicago or Oak Ridge personnel are providing support. An early version of this system is employed by Richland, and is under further development at Oak Ridge.

The reengineering effort will be complemented by analyzing organizational needs against the new roles, responsibilities, authorities and accountabilities and by addressing the Strategic Management of Human Capital initiatives within the PMA. This will enable SC to develop staffing plans and related training requirements optimized to both the OneSC structure and reengineered business processes.